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CONSIDERATIONS

Humbly offered

TO THE

Present Parliament

AGAINST

The BILL to reduce Interest from 6 to 4 *per Cent. per Annum.*

THE *Reasons* given for the abatement of Interest to 4 *per Cent. per Annum*, may chiefly be comprehended in these that follow.

First, *That Industry and the Trade of the Nation will be thereby encouraged and encreased.*

Secondly, *That Husbandry and the price of Land will be thereby improved and advanced.*

Thirdly, *That the Crown will be sooner supplied with money on all occasions, and on easier Terms.*

And lastly, *That the Lenders of Money at Interest may not have an opportunity to grow rich above the Nobility and Gentry of the Kingdom; whose Estates do principally consist in Land, as the others do in Money.*

As to the *First*, It must be confess'd, That the more any Country abounds in Money, the Inhabitants are the more whetted on to Industry, and the improvement of Trade; but to take down the price of Money can never increase the quantity of it in such a Nation as *England*: on the contrary it will lessen the quantity now among us, by these means following. First, It will occasion the drawing out of *England* those vast sums of Money belonging to Foreigners, whose Monies have continued here many years for the sake of an higher Interest than is allowed in their own Countries. Secondly, The Natives themselves of *England* that are Lenders, will send their own Money into *Spain* or other Countries, where Interest is greater, and Securities less hazardous. And can any body think that any People will be industrious, or Trade improved for the obtaining of Money, when it yields so little when it is got? It will rather make People lazy and careless, and not to bestow much pains in getting that which makes them so small returns; and considering the hazard that is run, both on Personal and real Securities, 4 *per Cent. per Annum* will be no temptation to lend upon either of them; and without lending Money, Trade cannot be advanced, unless the Owners thereof will Traffick themselves, and very few of that sort of People are capable of it.

As to the *Second*, It cannot be supposed to improve Husbandry, or advance Land, unless the quantity of our Money be kept at home and encreased; but that will not be upon the Reduction of its Interest: and if few People now will buy Land, (though they have Money enough) by reason of the danger of bad Titles, and bad Rents, sure none will be tempted to it, when Money is less in quantity than it was before. Many People in an humour will then keep their Money by them rather than run any hazard for 4 *per Cent.* profit, others will imploy it in Trade themselves, though they do not understand it; and others may grow expensive, and spend it in high living, but few will be moved to trouble them-

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selves with lending at so low a rate ; nor can any Persons, without difficulty, then raise Money for the supply of their occasions. A Register of Titles would certainly raise Land to a prodigious value, and improve Husbandry too beyond any other project ; and give me leave to say, that nothing else can do it in any degree like it. If People were but once safe in the Titles to Land, every one would covet to lay out his Money in it, (let Interest be at any rate whatever) and that would advance Husbandry and Land with a Witness.

3. The *third* reason is generally given for passing the Bill ; but it seems to be founded upon a mistake : for the King may have Money at very easy rates, and soon enough (if it be but kept in the Nation) to answer any publick occasion. The people of *England* have suffered very much by putting their Money to the Publick in the late Reigns, and the fears that Men lay under upon that account, were not totally worn off upon his Majesty's accession to the Crown, and yet great sums of Money were chearfully advanced, which being so duly returned as the Acts of Parliament require, every one for the future will be ready to advance Money upon any publick Fund, at very little more than common Interest, without such an extraordinary method as this shortning Interest would be. His Majesty's punctual repayment of all Moneys borrowed of his People, does so highly oblige them, as will perfectly engage them to deal with his Majesty rather than to embrace any private Security at the common Interest of 6 per Cent.

As to the *fourth* reason, Lenders of Money have not such opportunities of growing rich as is generally imagined, by reason of the badness of Securities. Indeed if Men who make 6 per Cent. of their Money, were not exposed to losses as all other Traders are, then I should think it the best Trade in the Kingdom ; but considering how fast Traders break, and how rotten and incumbered most Titles to Land are, it seems to be the worst Trade among us.

Many French Protestants who fled hither upon the Persecution in *France*, brought great Sums of Money with them, and immediately put it forth at Interest in *England* ; but soon after some of them meeting with losses by the failing of their Debtors, those Persons presently drew off the rest of their Monies, and remitted it for *Holland*, to be disposed of at Interest in that Country, purely upon the account of the safety of their Principal ; And many others can testify, who have large Estates out at Interest at 6 per Cent., that considering the many losses they meet with, they do not make 3 per Cent. of their Money, *Communibus Annis*.

If it be alledged that the Dutch Interest is but $\frac{1}{3}$ or $\frac{1}{4}$ per Cent. and that they abound more in Money and Trade than their Neighbours do, it must be observed, that their Case and ours is vastly different ; their Estates consisting in Money, ours in Land. The truth is, they have very little Land to lay out their Money on, which forces them to Trade, or lay it out in Shipping, whether they will or no ; which is apparently the cause of so many sinking in *Holland* ; it being observed that ten Traders do fail there for one in *England*. They are also forced to great frugality and pains taking, which the People of *England* cannot be brought to, neither would it consist with the National Interest to do it. The encrease of Money in *Holland*, and the smallness of their Interest, have both been occasioned by the goodness of their Securities, and the safety of their Capital, whether it be in their publick Banks, or other Registred Estates : And what can seem more reasonable, than that Men should be contented with little gains where they run no hazard at all ? But on the contrary in *England*, the danger is so great, arising from Cheats and bad Titles, that 6 per Cent. seems too little, and not equivalent to it.

The Reasons for the Bill being thus (I think) sufficiently answered, I shall humbly offer two Considerations more against the passing the same.

First, That many sorts of People in *England*, as Widows, Orphans and others, who have nothing to live upon but the Interest of Money, would certainly be undone, if a third part of their Income be taken from them. I know my self many of those People, who have some 12, some 18, and some 30 *l. per Annum* Interest Money only to live upon, and cannot subsist neither without the help of others ; how will they then hold up when a third part of their support is clearly cut off ?

Secondly, If it still seems expedient to lessen our Interest, it will also appear equitable to make some provision for the safety of our Principal, by a publick Register. And in that Case every one would acquiesce in a lower gain (even those who can hardly subsist on it) when they are perfectly secured against the loss of their Capital. But if Security from Real Estates as well as Personal be still left under such uncertainty, 'tis hoped that it will not appear reasonable to the Wisdom of the Parliament, to reduce Interest to so small a proportion, where the hazard in lending is so great.